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June 18, 2008

Dixie Cayce
Caldwell County Water District
118 West Market Street
Princeton, KY 42445

CERTIFICATE OF SERVICE

RE: Case No. 2008-00171
Caldwell County Water District

I, Stephanie Stumbo, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on June 18, 2008.

Executive Director

SS/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CALDWELL)
COUNTY WATER DISTRICT TO REVISE) CASE NO. 2008-00171
CERTAIN NON-RECURRING CHARGES)

O R D E R

On May 12, 2008, Caldwell County Water District ("Caldwell County") applied for authority to establish a non-recurring charge to recover processing fees associated with payment by credit card or debit card and automatic bank drafts and to establish rules regarding the use of credit or debit cards and automatic bank drafts for bill payment.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. The proposed charges are equal to the expenses incurred to provide the associated services.
2. The charges and rules set forth in the Appendix to this Order are fair, just, and reasonable and should be approved.

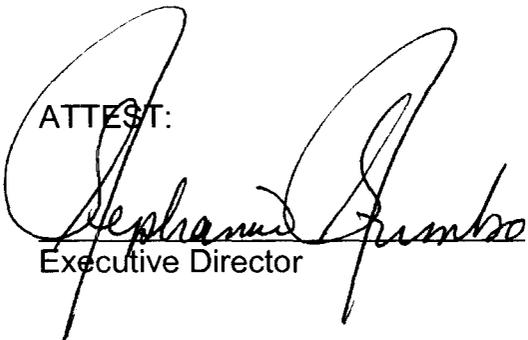
IT IS THEREFORE ORDERED that:

1. The charges and rules in the Appendix are approved for services rendered on and after July 1, 2008.
2. Within 20 days of the date of this Order, Caldwell County shall file with this Commission its revised tariff sheets setting out the rates and rules approved herein.

Done at Frankfort, Kentucky, this 18th day of June, 2008.

By the Commission

ATTEST:


Executive Director

Case No. 2008-00171

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00171 DATED JUNE 18, 2008.

The following rates, charges, and policies are prescribed for the customers in the area served by Caldwell County Water District. All other rates, charges, and policies not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Non-Recurring Charges

Credit/Debit Card Policy

All customers may pay their bill by credit or debit card. This method of payment may be made in person at the Caldwell County Water District office or by telephone.

If on the bill due date an attempt to pay the credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is declined, the same rules as above apply, in addition to his/her service being disconnected.

When a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

1.7% of the bill plus 20 cents per transaction for Visa, MasterCard, and Discover

ACH—Bank Draft/Automatic Withdraw Policy

All customers may pay their bill by ACH—Bank Draft/Automatic Withdraw. The ACH—bank draft/automatic withdraw will be scheduled for the 5th of each month.

On the 5th of each month the payment will be processed. If for any reason payment is declined, the payment will still be due by the 10th of the month. All late charges and penalties will be applied if payment is not made by the 10th of the month.

When a customer makes a payment by ACH—bank draft/automatic withdraw, the utility will assess a fee per transaction equal to that charged to the utility by the bank. This fee is established by the banking agency. Customers will be informed of any changes in transaction cost.

15 cents per transaction